



**Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
March 3, 2015**

Good Day Senator Gomes, Representative Tercyak, Senator Hwang and Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding **House Bill No. 1039 AAC General Contractor Liability for Wages and Workers' Compensation**. My name is Sharon Palmer and I am the Commissioner of the Department of Labor.

This concept is worthy of consideration. This bill would protect workers in the state by making general contractors liable for their subcontractors' failure to pay wages or workers' compensation benefits. It would provide a safety net for employees of subcontractors who fail to pay wages or provide Workers' Compensation coverage for its employees. The general contractor would be liable for the subcontractor's failure to pay. There needs to be further dialogue on this concept before the Department can consider supporting the proposed bill. I look forward to further discussion concerning this concept.

Thank you for the opportunity to provide this testimony.